

OFFICE OF

STATE INSPECTOR GENERAL

COSMETOLOGY RULES CONFLICTS

Report by

Inspector General Bill Lynch

Prepared for

Governor M.J. "Mike" Foster, Jr.

July 24, 2000

File No. 1-00-0041



OFFICE OF

STATE INSPECTOR GENERAL

Cosmetology Rules Conflicts

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June 26, 2000

File No. 1-00-0041

Cosmetology Rules Conflicts

The Louisiana State Board of Cosmetology adopted rules that are in conflict with state law resulting in 320 manicurists, 17 instructors, and 16 estheticians improperly receiving reciprocity licenses, which often serves to the disadvantage of persons trained in Louisiana.

Billy Yelverton, executive director of the Louisiana State Board of Cosmetology, exceeded his authority by giving exemptions from license restoration examinations, and allowing an individual who had not met the requirements to take state board examinations.

Additionally, then chairperson Toni Ibert, exceeded her authority when she authorized the use of continuing education training by instructors which was not approved by the Board. This unapproved continuing education training was used for two instructors to renew their licenses. In one instance, acting jointly with Mr. Yelverton, she waived a required restoration examination.

Background

The Louisiana State Board of Cosmetology was created by La. R.S. 37:493 and is the state agency that regulates the cosmetology industry. The board is domiciled in East Baton Rouge Parish, and composed of eight members who are appointed by the Governor and confirmed by the Senate.

The Board has authority over 44,622 cosmetologists, estheticians, manicurists, instructors, schools, students, salon owners, and salon managers. An esthetician is a person who, for compensation, provides massages of the face or neck; trims, waxes or dyes the eyebrows or eyelashes; and stimulates, cleanses, or beautifies the face, neck, arms or legs.

A reciprocity license is one granted by Louisiana on the basis of a license from another state provided the applicant fulfills all requirements.

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La. R.S. 36:109 provides that the Board is a budgetary unit of the Department of Economic Development. As such the Board is subject to audits and other review requirements in accordance with the statutes.

In addition, the Board follows its own administrative regulations, Title 46, Part 31, of the Louisiana Administrative Code. These administrative regulations were adopted by the Board in 1993, and are known in the Louisiana cosmetology industry as the "Gold Book."

Operations of the Board are funded from self-generated fees. For fiscal year 1998-1999, its operating budget was over \$1.3 million, with a current budget of \$1.2 million for fiscal year 1999-2000.

Adopted Rules

The Board adopted rules in 1993 that are in conflict with state law, resulting in 320 manicurists, 17 instructors, and 16 estheticians improperly receiving reciprocity licenses.

There is no statutory provision for issuance of reciprocal manicurist and instructor licenses. Out of state persons applying for those two licenses must qualify under specific Louisiana requirements, including educational hours and testing.

La. R.S. 37:502.1 specifies that licensed estheticians from another state may be granted a reciprocal license in Louisiana without taking an examination if they meet certain requirements. All applicants must provide information that the state or foreign country has licensing requirements substantially equal to those in Louisiana, the requirements have been in effect for a year, and they have at least three years of uninterrupted experience.

The Gold Book provides that a licensed esthetician, instructor, or manicurist in another state can be issued a reciprocal license in Louisiana with only a visual verification of their original current license and payment of applicable fees. However, the Board's rules cannot supersede the Louisiana laws which govern reciprocity licensing.

Over a six and one-half year period, from January, 1993, to June, 1999, the Board issued 320 manicurist and 17 instructors reciprocity licenses. However, there is no provision in

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Louisiana law for a reciprocity license for manicurists and instructors. Louisiana law requires all manicurists and instructors to complete 500 classroom hours and pass state examinations. These applicants were not required to show proof of educational hours and were not required to take state exams.

Furthermore, during this period, the Board issued 16 esthetician reciprocity licenses. Of these applicants, four were from California, four from Texas, two from Florida, and one each from Canada, The Netherlands, Idaho, Maryland, Georgia, and Arkansas

None of these states or countries meet the minimum number of hours required by Louisiana. During those periods that the applicants applied in Louisiana, the esthetician licensing requirements for California was 600 hours with a state exam; 300 hours with a state exam for Texas; 240 hours in 1994, and 260 hours in 1999, with no state exam for Florida; 0 hours with no state exam for Canada; 500 hours with a state exam for Idaho; 300 hours with a state exam for Maryland; 0 hours with a state exam for Georgia; and 600 hours with a state exam for Arkansas. No esthetician licensing requirement data was available for The Netherlands. Louisiana requires 750 classroom hours with state examinations.

As an example, on Oct. 12, 1999, the Board received an application for a reciprocal esthetic license from an applicant licensed in Florida. The Board only verified the applicant had a license without considering whether Florida's requirements were substantially equal with Louisiana's. Florida only requires the completion of 260 hours of school and has no state examination. The Florida applicant was awarded a reciprocal esthetic license effective Oct. 14, 1999.

Thus, under the Board's current practices, applicants from states that require little or no formal education or testing are allowed to obtain a license simply by applying, showing their out-of-state license, and paying a fee, whereas, Louisiana residents are held to more rigorous standards. This situation allows individuals, both residents and non-residents, to circumvent Louisiana's license requirements by obtaining a license from a state with less rigorous requirements (for example, a manicurist license in Georgia requires no formal educational training), and then applying for a Louisiana reciprocity license.

Executive Director

Mr. Yelverton exceeded his authority by exempting two applicants from cosmetologist licensing restoration examinations, and allowing an esthetics student who had not met the requirements to take state board examinations

La. R.S. 37:512 provides that a certificate of registration for cosmetologists shall expire 30 days following their birthday. Any cosmetologist whose license has expired for more than three years must take and pass a restoration examination and pay fees, in order to renew a license.

In July, 1998, a cosmetologist whose license expired Jan. 23, 1995, sought renewal of her license without having to take a restoration examination. She was advised by a staff member that the examination was required, and was then referred to Mr. Yelverton. The director said he waived the restoration requirement because the agency had improperly retained partial payments made by the applicant during the three-year period even though no license was issued.

In a second instance, Mr. Yelverton waived a restoration exam for another applicant whose license had been expired for more than three years. Mr. Yelverton said he made the decision because the applicant was in a battered woman's program at the time of the request. Then Chairperson Toni Ibert was informed later about the waiver, and supported Mr. Yelverton's decision.

State law requires an esthetic student complete 750 hours of classroom instruction prior to taking the state examinations. Mr. Yelverton exceeded his authority by allowing an esthetics student who had not completed the required number of school hours to take state board examinations. Mr. Yelverton justified his action by accepting revised documents from a school.

On June 5, 1998, Derma Technical Institute informed the Board that effective June 15, 1998, the school would close and no longer conduct business. The Board received a final report from the Institute, reporting total hours earned by its students for its last 15 days of operation.

The staff member responsible for documenting student hours, noted that one student was listed as having earned 192 hours in those 15 days, which, coincidentally, was the number of hours left that was needed to complete training. The Gold Book limits the

number of hours any student may receive credit for during a week to a maximum of 48. According to the staff member, for the 15 days the school was operating in June, the student could have only earned a maximum of 104 hours, compared to the 192 hours reported.

After the discrepancy was called to the school's attention, the school submitted a revised figure increasing the hours purportedly earned prior to June. However, the revised figure, which was not explained by documentation, was inconsistent with previous monthly attendance reports.

Mr. Yelverton was asked how the student in question could have earned the disputed hours within the time frame allowed by Board rules. He stated he informed the school owner that hours for the student in question were short, and she should recheck her records. According to Mr. Yelverton, the school owner went through her records again and resubmitted additional hours for the student. He accepted the revised hours and approved the student for testing.

Continuing Education

Ms. Ibert, chairperson at the time, and no longer a member of the Board, allowed two instructors to qualify for licensing renewal by accepting continuing education training which was not approved by the Board.

La. R.S. 37:506.1 requires persons holding a teaching certificate to attend a seminar for continuing education, as approved by the Board, at least one time every two years. The Board had given approval only to the Louisiana Association of Cosmetology Schools to provide seminars to instructors so as to qualify for licensing renewal.

In May, 1999, two instructors seeking license renewals submitted continuing education hours to the Board. The staff member responsible for processing instructor license renewals refused to approve the renewals and informed the instructors that their continuing education hours were not from a board approved seminar.

On May 17, 1999, Ms. Ibert, accepted continuing education hours for the non-Board approved educational program. As a result, licenses were renewed for the two instructors.

Leave Policy

Mr. Yelverton, an unclassified employee, was improperly instructed by the Department of Economic Development that he could be absent from duty without signing a leave slip for annual or sick leave as long as he could be reached.

La. R.S. 37:493.H(1) and (3) require the Board to hire an executive director who shall be an unclassified employee of the state.

Executive Order No. MJF 98-23 establishes a leave policy for unclassified employees appointed by the governor to be charged annual and sick leave only when they are unavailable and cannot be reached. However, since the executive director of the Board is not an appointee of the governor he does not qualify for the special class.

Mr. Yelverton confirmed he had been absent from duty in the past on several occasions without taking leave.

Mr. Yelverton received a July 9, 1998, memo from Undersecretary Ron Henson, of the Department of Economic Development, informing him he was allowed to earn and take leave on the same basis as the governor's appointees.

On Oct. 19, 1999, Secretary Kevin Reilly issued a memorandum which attempts to include Mr. Yelverton and other similarly appointed directors of various DED boards in the leave benefits of the special class by including him as a member of his executive staff. Members of a cabinet officer's executive staff are entitled to be included, and Mr. Reilly erroneously extended that designation to directors of boards under DED.

Mr. Yelverton received another memo dated Dec. 2, 1999, from Carolyn Bordelon, Human Resource Director, DED, advising he was subject to the gubernatorial appointee provision of the executive order.

Upon request by this office for clarification of the executive order, Kim Wooten, assistant executive counsel to the Governor, stated the gubernatorial appointee section of the executive order does not apply to the position of executive director of the Board.

After our inquiry into this matter, Mr. Yelverton was instructed by the Board to begin submitting leave requests for all absences.

Improper Satellite Classroom

The Board improperly gave approval on Nov. 9, 1998, to the Neill Institute, a school of cosmetology in Covington, to operate a satellite classroom a mile from its principal site. The "satellite" should have been licensed as a separate school.

State law specifically restricts satellites to be no further away than 300 feet from the main building.

La. R.S. 37:504.2.C specifies a satellite classroom shall be under the same roof or on the same campus as the administrative center of the school. The satellite classroom shall be located within three hundred feet of the main school building in order to be close enough to insure immediate supervision.

The initial approval for the satellite classroom was for five months, but the school was granted extensions of time on two later occasions, April 5, 1999, and July 12, 1999. The Neill Institute was ordered to close the location during the February 2000, board meeting.

Conflict of Interest

Dawnel LeBlanc, then a member of the Board from Madisonville, who is related to the owner of the Neill Institute, a cosmetology school, voted on a matter affecting the school.

Ms. LeBlanc confirmed her sister's husband, Edwin Neill, owns the Neill Institute, a school of cosmetology licensed and regulated by the Board. Ms. LeBlanc also confirmed she is employed full-time at Paris Parker Salon, which is also owned by Mr. Neill.

In both the Nov. 9, 1998, and April 5, 1999, meetings, Ms. LeBlanc voted to approve motions before the Cosmetology Board involving the Neill Institute.

This a matter for the State Board of Ethics to review.

Instructor License Renewal

The Board's manual system to verify qualifications of instructors lacks controls to ensure all requirements are met prior to instructor license renewal. As a result, in 1998 and 1999, the Board renewed licenses for 39 instructors who had not completed 24 hours of continuing education within a two-year period, as required by state law.

La. R.S. 37:506.1 mandates instructors to attend a continuing education seminar, as approved by the board, at least one time every two years to maintain a current teaching certificate.

The Board has only approved the Louisiana Association of Cosmetology Schools to conduct continuing education seminars for use as qualifying training for instructor license renewal. The Association conducts its seminars every June, after which a list of instructors who complete the seminar is reported to the Board. This list is not alphabetized and has no tracking numbers, which makes it more difficult to extract data.

When the list from the Association is received, the staff member responsible for processing instructor's license renewals must manually update the Board's master list. Each time an instructor applies for license renewal the staff member manually checks the master list to verify that an instructor has completed the required continuing education seminar. The Board's master list is also not alphabetized, and does not have tracking numbers or other control data which would ensure that the instructor renewal procedure is efficient and effective.

As a consequence of using a system with poor controls, including manually updating and retrieving historical data, the staff employee renewed 39 instructor licenses in error. The use of a computerized and alphabetized master list would aid in the reduction of errors, and would be easier to use.

Misuse of Employee

Mr. Yelverton used a staff member to perform approximately 3 hours of clerical tasks related to his personal property.

Mr. Yelverton confirmed he asked a clerk to type the documents for him, but did not realize he was interfering with her normal work duties or violating the law. The amount of time spent on Mr. Yelverton's work was estimated by the staff member to be approximately 3 hours.

While the time involved, in this instance, is minimal, use of subordinates to perform personal work while on state time can become a serious problem if not addressed.

Conclusions:

- 1. The Board adopted rules that are in conflict with state law, resulting in 320 manicurists, 17 instructors, and 16 estheticians receiving reciprocity licenses in violation of state laws.
- 2. Mr. Yelverton exceeded his authority by exempting two cosmetologists from taking licensing restoration examinations, and allowing an esthetics student who had not met the requirements to take state board examinations.
- 3. Ms. Ibert exceeded her authority by exempting a cosmetologist from taking a licensing restoration examination, and allowing two instructors to qualify for licensing renewal by accepting continuing education that was not approved by the Board.
- 4. The Department of Economic Development improperly advised Mr. Yelverton, an unclassified employee hired by the Board, he did not have to take leave when absent from duty.
- 5. The Board exceeded its authority by giving approval to the Neill Institute to operate a satellite classroom that did not meet statutory requirements.

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- 6. Ms. LeBlanc, then a member of the Board, voted on an issue affecting the Neill Institute, which is owned by her sister's husband, for whom she also works.
- 7. Board controls to maintain and verify qualifications to renew instructor licenses is inadequate. As a result, 39 instructor licenses were renewed in error.
- 8. Mr. Yelverton used a staff member to perform approximately 3 hours of clerical tasks related to his personal property.

Recommendations:

- 1. The Board should revise all rules which are in conflict with state law.
- 2. The Board should immediately comply with statutory requirements regarding reciprocity licenses for manicurists, instructors, and estheticians.
- 3. The Board should review licenses of all reciprocity recipients to ensure that the licensees are in compliance with state law.
- 4. Mr. Yelverton should cease taking actions which exceed his authority as executive director.
- 5. The Board should insure that individual board members and or staff do not waive licensing requirements for instructors regarding continuing education.
- 6. The Board should not authorize actions that are contrary to state law in matters pertaining to satellite classrooms.
- 7. The Board should implement a procedure to ensure that all initial and renewal licenses under its authority are reviewed by the Board or its designee before final approval.
- 8. The Board should continue to comply with Executive Order No. MJF 98-23 as it pertains to absences from duty and use of leave for unclassified employees

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- hired by the Board. Since this investigation began, the Board has been complying with the order on leave policy.
- 9. The votes by Ms. LeBlanc as a member of the Board, have been referred to the State Ethics Board.
- 10. The Cosmetology Board should implement a system that should ensure that licenses will be issued only to those qualified.
- 11. Mr. Yelverton should refrain from using subordinates for personal work on state time. Mr. Yelverton has agreed to follow this recommendation.

BL/PCW/lk File No. 1-00-0041



Louisiana State Board of Cosmetology (225) 756-3404 FAX (225) 756-3409

M. J. "MIKE" FOSTER, JR. Governor

JOHN JAY Chairman New Orleans, Louisiana

CAROLYN ROBICHEAUX Vice-Chairman Baidwin, Louisiana

BILLY G. YELVERTON Executive Director BOARD MEMBERS

JUANITA ALLWELL Ferriday, Louisiana

FRANCES HAND Denham Springs, Louisiana

MICHAEL P. HORNING Franklinton, Louisiana

CHERYL LATIOLAIS Lafayette, Louisiana

NONA ROBILLARD Baton Rouge, Louisiana

BERNICE SMITH Shreveport, Louisiana

June 22, 2000

Mr. Bill Lynch Inspector General State of Louisiana Office of State Inspector General P.O. Box 94095 Baton Rouge, LA 70804-9095

Dear Mr. Lynch:

Enclosed you will find the response to the preliminary draft, File No. 1-00-0041.

If any further clarification is needed, please contact the Board.

Sincerely,

John Jay Chairman JUN 2 3 2000

OFFICE OF INSPECTOR GENERAL

BOARD RESPONSE TO FILE NO. 1-00-0041

Conclusion of the I.G. Office:

 The Board adopted rules that are in conflict with state law, resulting in 320 manicurists, 17 instructors, and 16 estheticians receiving reciprocity licenses in violation of state laws.

Board Response:

The Board concurs with this conclusion. When the current Board held its first Board Meeting on February 8, 2000, the Board made the motion to suspend reciprocity. A motion was made to request a clarification on reciprocity from the Attorney General's Office. The Board is currently following the recommendations of the Attorney General. The Board has submitted guidelines for the issuance of licenses for applicants with manicuring and teacher hours earned out of state to the Attorney General's Office to find out whether these guidelines are within the Board's jurisdiction.

Conclusion of the I.G. Office:

Mr. Yelverton exceeded his authority by exempting two cosmetologists from taking licensing restoration examinations, and allowing an esthetics student, who had not met the requirements to take state board examinations.

Board Response:

The Board does not condone this action, and is offended by many of its findings.

Conclusion of the I.G. Office:

Ms. Ibert exceeded her authority by exempting a cosmetologist from taking a
licensing restoration examination, and allowing two instructors to qualify for
licensing renewal by accepting continuing education that was not approved by
the Board.

Board Response:

The current Board had nothing to do with this action.

Conclusion of the I.G. Office:

The Department of Economic Development improperly advised Mr.
Yelverton, an unclassified employee hired by the Board, he did not have to
take leave when absent from duty.

Board Response:

Mr. Yelverton has been advised that he is required to prepare a leave slip when he is not in the office during his established work hours. If the leave is annual leave Mr. Yelverton is required to receive prior approval for the leave. The leave slips are then attached to his Daily Attendance Report for each payroll period.

Conclusion of the I.G. Office:

The Board exceeded its authority by giving approval to the Neill Institute to operate a satellite classroom that did not meet statutory requirements.

Board Response:

There was a tie vote on allowing this action; however, the Chairman, Toni Ibert, cast the tie breaking vote that allowed this action. Dawnel LeBlanc did vote to allow this action.

Conclusion of the I.G. Office:

 Ms. LeBlanc, then a member of the Board, voted on an issue affecting the Neill Institute, which is owned by her sister's husband, for whom she also works.

Board Response:

Each Board Member is responsible for their actions. If any issue poses a conflict of interest, it is incumbent upon that Board Member to recuse themselves or abstain from voting on the issue.

Conclusion of the I.G. Office:

 Board controls to maintain and verify qualifications to renew instructor licenses is inadequate. As a result, 39 instructor licenses were renewed in error.

Board Response:

The Board was unaware that the Chairperson, Toni Ibert, allowed this action without Board approval.

Conclusion of the I.G. Office:

 Mr. Yelverton used a staff member to perform approximately 3 hours of clerical tasks related to his personal property.

Board Response:

Your report is the first time I ever heard of this issue. I would hope that this is the only time it ever happened.

Recommendation of the I.G. Office:

1. The Board should revise all rules which are in conflict with state law.

Board Response:

The Board is currently revising the Louisiana Administrative Code, Title 46, Part XXXI. Cosmetologists. There are a number of current regulations that the Board is requesting an Attorney General's opinon.

Recommendation of the I.G. Office:

The Board should immediately comply with statutory requirements regarding reciprocity licenses for manicurists, instructors, and estheticians.

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Board Response:

The Board is following the Attorney General's recommendations on reciprocity. There is a suspension on reciprocity on manicuring and teacher licenses until the Attorney General reviews the board guidelines of out of state hours for applicants.

It is the intention of this board to see if legislation can be introduced that will establish the same statutory requirements for reciprocal licenses for cosmetology, esthetics, manicuring and teacher.

Recommendation of the I.G. Office:

The Board should review licenses of all reciprocity recipients to ensure that the licenses are in compliance with state law.

Board Response:

Reciprocity guidelines in accordance with the Attorney General's recommendations will be established. One member of the staff will do a preliminary review of the application, then will forward the applications to the appointing authority for approval. Any deviations from the board guidelines will require board action.

Recommendation of the L.G. Office:

 Mr. Yelverton should cease taking actions which exceed his authority as executive director.

Board Response:

Now that the Board is aware that Mr. Yelverton has exceeded his authority, Mr. Yelverton has been directed that if an issue is not within a clearly established board policy, that it is to be presented for board action.

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Recommendation of the I.G. Office:

The Board should ensure that individual board members and or staff do not waive licensing requirements for instructors regarding their continuing education.

Board Response:

The new computer system reflects whether or not a teacher license is active or inactive. It also lists each year that the teacher has attended a continuing education seminar. After each seminar a list is provided to the board office for the staff to update the attendance records.

A new criteria has been established for continuing education seminar. As part of the criteria the list of people attending the seminar must be provided to the board in alphabetical order with the individuals social security number registered. The social security number will correspond with board records, since license numbers for individuals is their social security number.

Recommendation of the I.G. Office:

The Board should not authorize actions that are contrary to state law in matters pertaining to satellite classrooms.

Board Response:

The board will exercise extreme caution in allowing satellite classrooms.

Recommendation of the I.G. Office:

 The Board should implement a procedure to ensure that all initial and renewal licenses under its authority are reviewed by the Board or its designee before final approval.

Board Response:

As the agency head, Mr. Yelverton will be delegated this responsibility at the next Board Meeting.

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Louisiana State Board of Cosmetology (225) 756-3404 FAX (225) 756-3409

M. J. "MIKE" FOSTER, JR. Governor

JOHN JAY Chairman New Oricans, Louisiana

CAROLYN ROBICHEAUX Vice-Chairman Baldwin, Louisiana

BILLY G. YELVERTON Executive Director

June 14, 2000

Mr. Bill Lynch Inspector General State Inspector General Office of State Inspector General P.O. Box 94095 Baton Rouge LA 70804-9095

Dear Mr. Lynch:

Enclosed you will find my response to the preliminary draft, File No. 1-00-0041.

In response to File No. 1-00-0041:

Paragraph 3, Page 4

My Assistant Executive Director had researched this case and due to the <u>payment history</u>, strongly recommended that I waive the examination.

Paragraph 4, Page 4

This is totally erroneous. Mrs. Ibert was not involved at all with this act or the decision to waive the exam for this person. I had been contacted by the Director of a New Orleans Battered Women's Shelter asking if there was anything that could be done to help. The shelter would pay all fees but they did not have transportation to get her here. The person's license had only surpassed the 3-year period by approximately two months. I solely made the decision to waive the exam.

Paragraph 5, Page 4

I take issue with the use of the term "altered". It was referred to as "revised" (paragraph 3, page 5), which is a quote of what I said. Revised reports are common in reporting of hours from the schools.

BOARD MEMBERS

JUANITA ALLWELL Ferriday, Louisiana

FRANCES HAND Denham Springs, Louisiana

MICHAEL P. HORNING Franklinton, Louisiana

CHERYL LATIOLAIS Lafayette, Louisiana

NONA ROBILLARD Baton Rouge, Louisiana

BERNICE SMITH Shreveport, Louisiana Attachment A is the explanation and report filed with the Board and a part of the official minutes.

Leave Policy

Will be responded to by Department of Economic Development.

Misuse of Employees

Due to my lack of typing skills, I asked an employee to make name and address changes on one lease at two different times. I asked the employee to do it whenever she had time. I was unaware this was against the law. I was unaware she was not on break at the time of the task. I take issue with the amount of that was reported. I told Ms. Williams that it could not have taken over 15 – 20 minutes. This employee is a very experienced typist; it did not take 3 hours.

Conclusions

(Number 4, Page 9)

Whenever I was absent from duty, I could always be reached; I was still on call.

If any further clarification is needed, please contact me.

Sincerely.

Executive Director

cc: Louisiana State Board of Cosmetology

Board Member

Department of Economic Development

Darlene Richard

ATTACHMENT A

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M. J. MIKE FOSTER. JR. Governor

TONI IBERT Chairman Franklin, Louisiana

RONNIE C. NAVARRO Vice-Chairman Lafayetta, Louisiana

BILLY G. YELVERTON Executive Director

MARSHA McNULTY Soard Attorney MINUTES OF BOARD MEETING AUGUST 3, 1998 AT 10:00 A.M. SOARD MEMBERS

Francas Hand Dennam Springs, Louisiara

Dawner LeSland Madisonville, Lou-siana

George Matta New Orleans, Louisiana

Sarbara Meeks Monroe, Louislana

Carolyn Robicheaux Baldwin, Louislana

Bernica Smith Shreveport, Louisiana

CHAIRMAN OF THE BOARD:

Toni Ibert

Absent

VICE-CHAIRMAN:

Ronald C. Navarro

Present

Present

BOARD MEMBERS:

Frances Hand
Dawnel LeBlanc
George Matta
Barbara Meeks
Carolyn Robicheaux
Bernice Smith

Present Present Present

Present

EXECUTIVE DIRECTOR:

Billy G. Yelverton

Present

ASSISTANT DIRECTOR:

Saraphia Travis

Present

BOARD ATTORNEY:

Marsha McNulty

Present

I. CALLED TO ORDER

The meeting was called to order by Vice-Chairman Navarro.

II.. WELCOMING THE BOARD MEMBERS AND GUESTS

Vice-Chairman Navarro welcomed the board members and their guests, Jim Haynes, Pat Goins, Mr. Mayo, Lori Sibley. never audited, when it paperwork came here after being signed off by the Board Members, it was then forwarded to DED.

Now that there are no board members signing off, it has to be audited her. It goes through a process of auditing and then DED audits it. Carolyn Robicheaux feels that there needs to be help with the paperwork, it is unfair to the inspectors to have to wait to get paid.

Carolyn Robicheaux reported that Derma Tech, Joann Abbot's school, closed and some students were allowed to test. Two was lacking two hours and the other one was lacking 12 hours. Ms. Robicheaux asked why this was allowed? Mr. Yelverton said that he did not know that they did not have the hours until after they were tested. He then called Joann Abbott and told her to check her records to make sure because one was missing 2 and another missing 12. She went back and found some errors and sent them in and corrected it.

Carolyn Robicheaux said that the school closed on June 15, 1998, how did Jolyn Smith got 196 hours in two weeks. On the monthly report that is what she got. In June when she was allowed to test, Jolyn Smith had 738, that is 12 hours short of being able to test. That is what she had in this office because Alarice wrote it down when she could test. If Alarice knew, you should have know that. She is only allowed to make 48 hours a week. Ms. Smith has contacted Carolyn Robicheaux numerous times and is threatening to get an attorney, the Attorney General's Office and others. Becuase she was told that she passed and then she did not pass and had to come back and take the test. She entered school in February, she had 92 hours, March total 208, April total 338, May total 558. School closed June 15, total hours for June 750. That means she made 196 hours in two weeks, no way possible this could happen.

Billy G. Yelverton reported that the clearances and checks had been here for almost a month in Sam's office, it wasn't until the day before the testing that Abbott called here asking whether they were going to tested. Billy G. Yelverton thought there were 2 and Ms. Abbott said there were 3, which he turned over to Sam. There sat in Sam's office

for a month with the three clearances. Since the school was closed, we gathered the information and brought them to the back to be added to the list. It was not until after the test that two were short. He called Joann Abbott and asked her to check her records, because two of them are short of hours. She checked the records and sent in a document on it, I approved it and put it in. They failed. Whenever Mr. Yelverton called Joann to tell her we needed more hours, she asked if they passed. Mr. Yelverton responded by saying he did not really know but I think so. After we hung up, she called them all and told them that they passed. Mr. Yelverton called Joann since, Alarice did not regarding the hour that were short.

This is the same person that called Ms. Hand and asked her if she could go to work. That was when Ms. Hand found out that she did not pass. Juanita Allwell reported that this student was told to report at 10:30 to take the exam (in the middle of the practical) and then complained that it was difficult for her to concentrate due to the noise. Mr. Yelverton stated that he told her to come at 10:30 to appease her.

Frances Hand asked if the new computer system will have some built in safeguards. Mr. Yelverton assured her it would, there will be stop codes that will not allow this to happen. Ms. Hand read some of the hour report with such numbers that showed unusual attendance, with hours such as 150, 204, 204, 200, 204, 200. The report looks out of line with the norm attendance.

The school sends in hours, Mary Barrow enters the hours, and then Lola (estheticians, manicurists, teachers) checks them to see that they have them.

Carolyn Robicheaux said that we should not clear anyone who does not have the necessary hours, the hours must be in the office before anything is done.

E. Evaluation of Test Team Expenses:

Carolyn Robicheaux reported that all exam team members are going over the cap because of the 8 days of testing that are being held.

Carolyn Robicheaux made the motion to pay all legitimate exam team

DEPARTMENT OF ECONOMIC DEVELOPMENT



Governor

Kevin P. Reilly Secretary

June 22, 2000

Bill Lynch State Inspector General Division of Administration Office of State Inspector General Post Office Box 94095 Baton Rouge, LA 70804-9095

Re: File No. 1-00-0041

Dear Mr. Lynch:

In response to our telephone conversation of June 21, this is to advise that the Department of Economic Development will direct the Executive Directors, who are appointed by a board/commission, that the previous interpretation of Executive Order No. MJF 98-23 was incorrect as it relates to their leave requirements. The Executive Directors are now subject to an established work week of not less than 40 hours and will be required to take leave when they are not working.

Sincerely,

Kevin P. Reilly, Sr.

Secretary



DEPARTMENT OF ECONOMIC DEVELOPMENT

MEMORANDUM

Kevin P. Reilly Secretary

TO:

Bernard Cyrus, Executive Director Dennis Manshack, Executive Director Charles Gardiner, Executive Director Billy Yelverton, Executive Director

FROM:

Kevin P. Reilly, Sr.

Secretary

DATE:

June 22, 2000

SUBJECT:

Executive Order No. MJF 98-23

Earning of Leave by Unclassified Employees

The Department has received an Inspector General's report which indicates that our interpretation of Executive Order No. MJF 98-23 is incorrect as it applies to Executive Directors. Discussions with the Governor's Office have confirmed that Executive Directors, who are appointed by a board/commission, cannot be included in the subgroup "unclassified appointees", who are considered on call 24 hours a day and, therefore, do not have to take leave except under certain conditions outlined in the Executive Order.

Effective June 26, 2000 you will have to establish a work week of not less than 40 hours. Furthermore, leave will have to be taken when you are not working. Attached is a copy of the Executive Order explaining the various types of leave available to all unclassified employees. Executive Directors are not eligible to earn compensatory time as indicated in Section 13, A. 5.

Early next week you will be provided additional information regarding the time and attendance reporting requirements. If you have any questions concerning the Executive Order or timekeeping procedures, please call Darlene Richard or Carolyn Bordelon at 342-4927.

Attachment

Bill Lynch, Inspector General